

PREVAILED

Roll Call No. \_\_\_\_\_

FAILED

Ayes \_\_\_\_\_

WITHDRAWN

Noes \_\_\_\_\_

RULED OUT OF ORDER

## HOUSE MOTION \_\_\_\_\_

MR. SPEAKER:

I move that Engrossed Senate Bill 414 be amended to read as follows:

- 1 Page 15, between lines 27 and 28, begin a new paragraph and insert:
- 2 "SECTION 12. IC 6-3.1-31 IS ADDED TO THE INDIANA CODE
- 3 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
- 4 JANUARY 1, 2006]:
- 5 **Chapter 31. Hoosier Scholars Tax Credit**
- 6 **Sec. 1. As used in this chapter, "eligible county" has the**
- 7 **meaning set forth in IC 20-12-20.3-3.**
- 8 **Sec. 2. As used in this chapter, "eligible taxpayer" means an**
- 9 **individual who satisfies the following requirements:**
- 10 **(1) The individual participated in the Hoosier scholars pilot**
- 11 **program established under IC 20-12-20.3.**
- 12 **(2) The individual received provisional tax credits under the**
- 13 **program described in subdivision (1).**
- 14 **(3) The individual graduated from a degree program offered**
- 15 **at an institution of higher learning (as defined in**
- 16 **IC 20-12-20.3-4).**
- 17 **(4) The individual is employed in the eligible county where the**
- 18 **educational institution conferring the degree referred to in**
- 19 **subdivision (3) is located.**
- 20 **(5) The individual is employed in a field of targeted**
- 21 **employment.**
- 22 **Sec. 3. As used in this chapter, "state income tax liability"**
- 23 **means an individual's adjusted gross income tax liability under**
- 24 **IC 6-3.**
- 25 **Sec. 4. As used in this chapter, "targeted employment" means**

employment in any of the following business activities:

(1) Advanced manufacturing, including the following:

(A) Automotive and electronics.

(B) Aerospace technology.

(C) Robotics.

(D) Engineering design technology.

(2) Life sciences, including the following:

(A) Orthopedics or medical devices.

(B) Biomedical research or development.

(C) Pharmaceutical manufacturing.

(D) Agribusiness.

(E) Nanotechnology or molecular manufacturing.

(3) Information technology, including the following:

(A) Informatics.

(B) Certified network administration.

(C) Software development.

(D) Fiber optics.

(4) Twenty-first century logistics, including the following:

(A) High technology distribution.

(B) Efficient and effective flow and storage of goods, services, or information.

(C) Intermodal ports.

Sec. 5. (a) Beginning with the eligible taxpayer's first taxable year that begins after the date that the eligible taxpayer graduated from a degree program, an eligible taxpayer is entitled to a refundable credit against the eligible taxpayer's state income tax liability. The amount of the tax credit is equal to the amount of the provisional credit awarded to the eligible taxpayer in the academic year that corresponds to the number of taxable years following the eligible taxpayer's graduation as follows:

Taxable year following graduation	Academic year in the program
1st	1st
2nd	2nd
3rd	3rd
4th	4th

(b) If the amount of the credit under this chapter exceeds the eligible taxpayer's state tax liability for the taxable year, the excess shall be refunded to the eligible taxpayer.

Sec. 6. To obtain the credit provided by this chapter, an eligible taxpayer must file with the department information proving the amount of the provisional tax credits awarded to the eligible taxpayer as a student participating in the Indiana growth scholars program and any other information required by the department.

SECTION 13. IC 20-12-20.3 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS

[EFFECTIVE JULY 1, 2005]:

**Chapter 20.3. Hoosier Scholars Pilot Program**

**Sec. 1.** As used in this chapter, "commission" refers to the state student assistance commission established by IC 20-12-21-4.

**Sec. 2.** As used in this chapter, "eligible county" means any of the following counties:

- (1) Madison County.
- (2) Grant County.
- (3) Huntington County.

**Sec. 3.** As used in this chapter, "eligible student" means a student (as defined in IC 22-4.1-7-4) who is enrolled full time as an undergraduate in a degree program offered at an institution of higher learning located in an eligible county. The commission may impose additional eligibility requirements, including requirements set forth in IC 20-12-21-6.

**Sec. 4.** As used in this chapter, "institution of higher learning" means:

- (1) a state educational institution (as defined in IC 20-12-0.5-1); or
- (2) a private institution of higher education (as defined in IC 20-12-63-3(10)).

**Sec. 5.** (a) The Indiana growth scholars program is established.  
(b) The commission shall administer the program.

**Sec. 6.** The executive director of the commission may employ or contract for clerical and professional staff and administrative support necessary to implement this chapter.

**Sec. 7.** (a) The commission shall award a provisional tax credit to an eligible student who:

- (1) is enrolled in good standing in a degree program at an institution of higher learning located in an eligible county;
- (2) enters into an agreement with the commission under this chapter; and
- (3) complies with the requirements established under the rules of the commission.

(b) An eligible student may not claim a tax credit against the student's Indiana adjusted gross income tax under this chapter. However, proof of the provisional tax credit awarded under this chapter may be used to obtain a tax credit under IC 6-3.1-31 in a taxable year that begins after the eligible student graduates from a degree program and remains eligible for a tax credit under the requirements of IC 6-3.1-31.

**Sec. 8.** (a) The amount of a provisional tax credit awarded under section 8 of this chapter to an eligible student may not exceed two thousand dollars (\$2,000) per academic year.

(b) The commission may not award total provisional tax credits for any academic year that exceeds the limit specified by law (if

1 any).

2 (c) The commission may consider any of the following factors in  
3 determining the amount of the provisional tax credit to award  
4 under section 7 of this chapter:

5 (1) Whether an eligible student is enrolled in a degree  
6 program for less than a full academic year.

7 (2) Any other factor set forth in the rules of the commission.

8 **Sec. 9. An eligible student must enter into an agreement with the**  
9 **commission to be eligible for a provisional tax credit under this**  
10 **chapter. The agreement must include the following requirements:**

11 (1) The eligible student must remain enrolled in good standing  
12 in a degree program during the academic year at an  
13 institution of higher learning located in an eligible county.

14 (2) After the student graduates from the degree program, the  
15 eligible student must, as a condition of claiming the credit  
16 provided under IC 6-3.1-31:

17 (A) remain in Indiana; and

18 (B) be employed in the eligible county where the institution  
19 of higher learning referred to in subdivision (1) is located;  
20 for a period of years equal to the number of years for which  
21 the student received a provisional tax credit under this  
22 chapter.

23 The agreement may include any other provisions that the  
24 commission considers necessary to administer this chapter.

25 **Sec. 10. The commission shall enter into agreements to**  
26 **implement this chapter with institutions of higher learning located**  
27 **in eligible counties.**

28 **Sec. 11. The commission may adopt rules under IC 4-22-2 that**  
29 **are necessary or appropriate to implement this chapter. The rules**  
30 **that are adopted under this chapter may include rules establishing**  
31 **different standards or procedures for resident and nonresident**  
32 **students."**

33 Page 15, between lines 31 and 32, begin a new paragraph and insert:

34 "SECTION 15. [EFFECTIVE JANUARY 1, 2006] IC 6-3.1-31, as  
35 added by this act, applies only to taxable years beginning after  
36 December 31, 2005."

37 Renumber all SECTIONS consecutively.

(Reference is to ESB 414 as printed March 15, 2005.)

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Representative Turner